

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF PUERTO RICO

IN RE:	*	
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J.R. INSULATION SALES & SERVICES, INC.	*	CASE NO. 03-02050(GAC)
DEBTOR	*	
	*	
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J.R. INSULATION SALES & SERVICES, INC.	*	CHAPTER 11
Plaintiff	*	
	*	
V.	*	Adv. No. 03-00158
	*	
Secretary, Department of the Treasury of PR	*	
Juan Galarza, Secretary, Department of Justice	*	
Of PR, Annabelle Rodriguez	*	Hrg. October 26, 2005
Defendants	*	9:00 A.M.

MOTION REGARDING THE TREASURY DEPARTMENT'S OBJECTION

TO THIS HONORABLE COURT:

Comes now, Debtor, J.R. Insulation Sales & Services, Inc., through the undersigned attorney who respectfully state and pray as follows:

1. The Treasury Department informed the debtor that they had finished the auditing up to 2002.
2. Out of their audit they admitted that out of the retained earnings received by the Treasury Department they accepted they had to return most of it.
3. We request that the court take notice that in its order dated December 21, 2004 (DKT#27) the Department of the Treasury was granted ninety (90) days to complete the audit.
4. On July 29, 2005, on Adversary Case 03-0158, the Court granted the Treasury Department twenty days to file a motion informing the documents that were missing and to complete the audit in sixty (60) days. Treasury Department did not file the motion.

5. On August 16, 2005, the debtor was verbally informed by the legal representative of the Treasury Department that they had completed their audit. On that date, debtor inquired about the refunds requested of the years 2003 and 2004.

6. On August 24, 2005, the legal representative of the Treasury Department received the income tax returns for the years 2001 through 2004.

7. The Treasury Department has required that the debtor sign a six (6) months extension of time to complete the audit of the year 2000.

8. The debtor has cooperated fully with the Treasury Department and even though inquiries have been made as to the reason that they have to request yet another waiver of six months no answer has been provided.

THEREFORE, it is respectfully requested from this Honorable Court that it enter an Order denying the request for a new waiver to assess the year 2000, especially after it has been audited.

We certify a copy of this motion to the U.S.Trustee, Ochoa Buiding, 501, 500 Tanca Street, San Juan, PR 00901 and Juan A. Cuyar Cobb, Esq., Ochoa Building Suite 201, 500 Tanca Street, San Juan, PR 00901.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico this 24th day of October 2004.

S/ FRANCISCO R. MOYA HUFF, ESQ.
USDC 130111
206 Tetuán Street
Banco Popular Building, Suite 401
San Juan, Puerto Rico 00901-1802
Phones: 787-723-0714 / 724-2447
Fax : 787-725-3685
Email: moyahuff55@prtc.net